

0525:

Enabling EU Compliant Interconnection Agreements



Proposer: Debbie Brace, National Grid NTS

Panel Date: 19th February 2015

Why change?



- The EU Interoperability (INT) Code requires new text to be inserted into National Grid NTS' Interconnection Agreements (IAs) with Adjacent TSOs which affects shippers:
 - Nominations matching
 - Allocation arrangements
 - Communication in exceptional events
- The INT Code also requires shipper consultation on these sections before the TSOs execute amended IAs
- A UNC Modification is needed to facilitate these consultations and amended and re-stated IAs by 1st October 2015
- The Modification also deals with a number of consequential issues related to IAs

Options



- National Grid NTS would normally agree changes to IAs or AAs with an Adjacent TSO before raising a UNC Mod
- This approach is not being taken for the following reasons:
 - TSO – TSO negotiations for IAs are still ongoing
 - It is not feasible to develop the Modification for changes to UNC in time
- Therefore, it is proposed to enable each of the three IA consultations and the development of this Modification to proceed independently

Solution



- The solution comprises of six key elements:
 - IA consultations for Users
 - UNC governance arrangements for future amendments to the IAs
 - A liability provision
 - Addition of relevant clauses from CSEP Ancillary Agreements within UNC
 - Termination of CSEP Ancillary Agreements
 - Provisions within UNC to address some specific issues in relation to the Moffat Interconnection Point

Recommended Steps



- This Modification should be issued to Workgroup for assessment
- Workgroup Report to June 2015 Panel
- Final Modification Report to be submitted to the July 2015 Panel meeting.
 - The Proposer has considered two options to facilitate this:
 - Option 1- Request Panel's consent to accept the Final Modification Report at short notice (2-4 days instead of five); or
 - Option 2 - Requesting Panel consent for a reduced consultation period of 10 days
- The Proposer considers that Option 1 is preferable and requests a view from Panel about whether it would be minded to accept the FMR at short notice in July